

# Business talks: Greater Bay Area Bridging the future



Together we thrive

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# Contents

Introduction	P.1
Background and vision	P.2
City clusters: a global comparison	P.3
Sectors for growth	P.4 – P.5
Creating a powerhouse	P.6 – P.7
Discover more	P.8 – P.9
Greater Bay Area connectivity	P.10

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# Introduction

The Guangdong-Hong Kong-Macao Bay Area ('Greater Bay Area') is an initiative that will form an exciting new chapter in South China's history. The Greater Bay Area aims to bring together two Special Administrative Regions: Hong Kong and Macao with nine cities in Guangdong: Guangzhou, Shenzhen, Zhuhai, Foshan, Zhongshan, Dongguan, Huizhou, Jiangmen and Zhaoqing to form an international first-class bay area for living, working and travelling.

By combining the strengths of each city, the Greater Bay Area has the potential to become an economic powerhouse that could rival or even surpass other leading bay areas such as the Greater Tokyo Bay, San Francisco Bay Area, and New York Metropolitan Area.

The promulgation of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area ('Outline Development Plan') in February 2019 set out the directions to transform the region into a city cluster through deepening co-operation between Guangdong, Hong Kong and Macao across an identified set of development priorities.

As a major international financial centre, Hong Kong could essentially act as a connector, linking the Greater Bay Area cities to the world markets. By leveraging its well-established capital markets and vast experience with international finance, Hong Kong can provide the other cities with support in areas such as project financing, bond issuance, investment, financial management and foreign exchange management.

Our heritage in China, together with our significant presence in the Greater Bay Area cities, we are well positioned to help our clients embrace the many business opportunities available within the region. Read on to discover more about the Greater Bay Area development and how we can help you and your business tap into its potential.

# Background and vision

The Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area was signed in 2017, with the objective of promoting infrastructure connectivity, enhancing the level of market integration, cultivating new strengths in international cooperation and further developing the cluster into a global technology, finance, and innovation hub.

The Outline Development Plan emphasises that the development of the Greater Bay Area is a further step in enhancing synergistic, comprehensive cooperation in the region to facilitate the efficient flow of people, goods, capital and information.

## Key Greater Bay Area statistics

Population<sup>1</sup>

**71** million

Area<sup>1</sup>

**56,000** km<sup>2</sup>

GDP<sup>1</sup>

Combined GDP in 2018:  
US\$1.6 trillion

Expected GDP by 2030:  
US\$4.6 trillion



Source:

1. Data from the HKSAR Government as of April 2019
2. 'Research on The Development and Planning of GD-HK-Macao Greater Bay Area City Cluster', by China Center for International Economic Exchanges

# City clusters: a global comparison

World-class city clusters, including the Greater Bay Area, Greater Tokyo Bay, San Francisco Bay Area and New York Metropolitan Area, share characteristics that are crucial to economic success.



Compared with other city clusters across the globe, the Greater Bay Area currently has the largest population, land area and number of top universities. Its GDP is higher than San Francisco Bay Area but smaller than New York Metropolitan Area and Greater Tokyo Bay. Through increased connectivity from transportation projects and with the advantage of a larger population, it is predicted that by 2030, the Greater Bay Area will exceed the other city clusters in GDP, providing humongous opportunities compared with its counterparts.

## World-class city clusters



Greater Bay Area



San Francisco Bay Area



New York Metropolitan Area

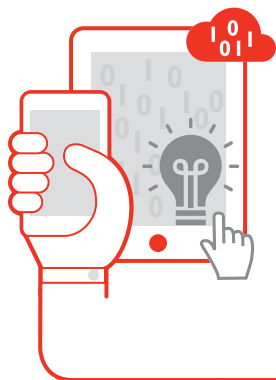


Greater Tokyo Bay

	Greater Bay Area	San Francisco Bay Area	New York Metropolitan Area	Greater Tokyo Bay
Population (m) <sup>1</sup>	71	7.7	20.2	44
Land area (1,000 km <sup>2</sup> ) <sup>1</sup>	56	17.9	21.5	36.9
GDP (US\$ trillion) <sup>1</sup>	1.6	0.8	1.7	1.8
Estimated GDP in 2030 (US\$ trillion) <sup>1</sup>	4.6	2.2	2.2	3.2
Number of the world's top 100 universities as ranked by QS <sup>2</sup>	4	3	2	2
Number of <i>Fortune</i> 500 companies <sup>2</sup>	16	28	22	60

# Sectors for growth

A primary objective of the Greater Bay Area is to become a major global powerhouse with a diverse set of priorities, from economic development, technological innovation, infrastructural connectivity to ecological conservation.



## Innovation and technology

- Establish a 'Guangzhou-Shenzhen-Hong Kong-Macao' innovation and technology corridor
- Accelerate the development of technology, innovation and R&D infrastructure
- Promote advanced manufacturing
- Strengthen access to capital markets for technology companies
- Foster cross-boundary collaborations and the flow of talent and resources
- Establish an intellectual property exchange platform

## Infrastructure and logistics

- Build a rapid, comprehensive and integrated logistics and transport network
- Create a high-speed internet, smart city and cybersecurity cluster
- Develop a safe and efficient energy supply structure
- Strengthen the Greater Bay Area's water infrastructure and flood management system



## Finance

- Support Hong Kong to become the Greater Bay Area's green finance centre
- Promote the development of innovative cross-boundary insurance products
- Explore cross-boundary RMB-denominated derivatives and wealth management products
- Facilitate cross-boundary bank account opening

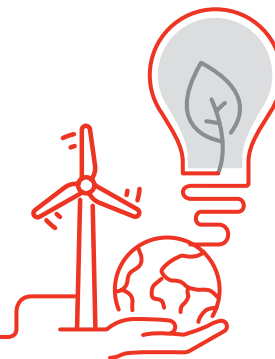


## Healthcare

- Set up more healthcare institutions and elderly care centres across the Greater Bay Area
- Provide quality medical and healthcare services
- Promote healthy lifestyles
- Support the standardisation and internationalisation of Chinese medicine products

## Green business

- Build a green and low-carbon environment
- Encourage the use of natural gas and renewable energy
- Develop and promote green technologies and manufacturing
- Focus on water conservation, land-based pollution control and coastal ecological management



## Tourism

- Establish and promote the Greater Bay Area as a brand and tourist destination
- Widen the range of tourism products
- Promote new travel routes within the Greater Bay Area
- Support the cruise industry



# Creating a powerhouse

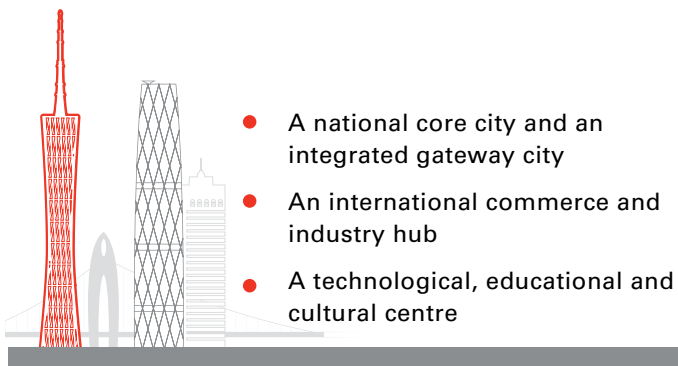
The cities in the Greater Bay Area have individually achieved rapid growth throughout the last 40 years of China's economic reforms and opening up. By enhancing the interaction and cooperation between not only the four core cities which will serve as engines for regional development as well as the seven key node cities, each with their own specialism and strengths, the economic growth of the region can be accelerated.



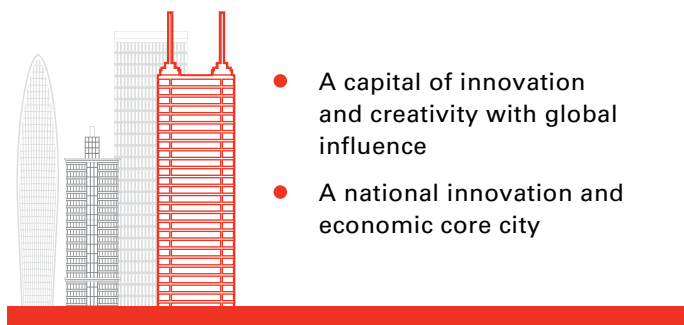
Hong Kong



Macao



Guangzhou



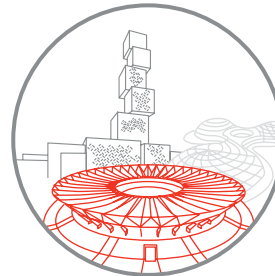
Shenzhen





## Dongguan

- A major manufacturing hub that acts as a base for many of the world's leading multinational business



## Foshan

- Has developed specialities in manufacturing goods such as electronics and furniture



## Huizhou

- One of China's top green cities and specialities in petrochemicals, electronic information and clean energy



## Jiangmen

- A logistics hub with several notable pillar industries including motorcycles, metal production and paper making



## Zhaoqing

- A cultural centre and is steadily growing its manufacturing sector, with rich primary resources including rare metals and herbal medicines



## Zhongshan

- A city at the heart of the home appliance industry chain

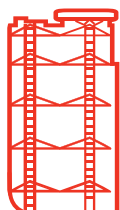


## Zhuhai

- A major tourism hub with a strong industrial base

# Discover more

Here are some questions that may be relevant to businesses wishing to venture into the Greater Bay Area (GBA).

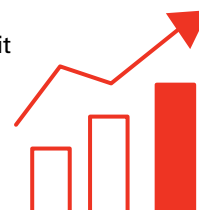


## 1 What opportunities does HSBC see in the GBA?

The GBA will unleash the economic potential of 'agglomeration', powering growth in China's productivity in the years to come. The GBA city clusters will also drive the country's economic growth, with talent and finance combining to forge a future out of continued urbanisation, consumption, innovation, and technological progress.

## 2 What does the GBA mean for businesses?

Our survey conducted together with KPMG China and the Hong Kong General Chamber of Commerce in 2018 found that nearly 80 per cent of executives operating in the GBA expect it to grow faster than China as a whole over the next three years<sup>1</sup>. The GBA development is set to sustain growth and create abundant opportunities for companies that are looking to do business with or in the region. The further opening up of the GBA also means that the potential for foreign investment is huge.



## 3 For companies expanding their business in the GBA, which areas should they pay attention to?

Cities within the GBA fall under different customs zones as well as legal and administrative systems, so improvements in cross-border movements are dependent on cross-institutional cooperation and efforts among the local governments. Companies also need to stay alert to changes in areas like economic policies, environmental issues, tax policies and regulations.



## 4 What role does HSBC play in the GBA's transition towards a sustainable economy?

The GBA development will spur the next stage of development that focuses on promoting more sustainable, inclusive and green growth. HSBC has the capabilities, reach and ambition required to play a vital role in turning the area into a leading green finance hub. We have launched a Sustainable Financing Programme, the first of its kind in Hong Kong, to support businesses in reducing carbon emissions and achieve environmentally-friendly growth.



## 5 What support and services can HSBC offer to businesses expanding in the GBA?



HSBC is a leading international bank for cross-border payment services and RMB business. We are the only foreign bank with a presence in Guangdong's 21 prefecture-level cities. We can offer comprehensive banking services ranging from trade financing, risk management to advisory services.

We have set up dedicated teams in Hong Kong and Guangdong to better support both SMEs and start-ups in the GBA by offering customised services and products. For international businesses looking to expand into the GBA markets, our relationship management team can provide solutions tailored to your business needs, access to rich local expertise, and make meaningful global connections across your business.

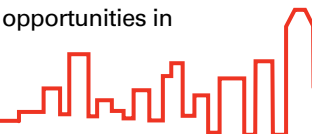
## 6 I'm always on the go. How can I keep track of my finances when I am doing business in the GBA?

Our digital banking solutions such as the HSBC Business Express mobile app and the HSBC Hong Kong Business WeChat Banking and Notification Services give you a simpler, faster and safer banking experience. You can receive tailored financial insights and access to your business finances anytime, anywhere. For more details, please visit [www.business.hsbc.com.hk](http://www.business.hsbc.com.hk) or contact your Relationship Manager.



## 7 Where can I acquire more news and information regarding the GBA?

Please visit [www.hsbc.com.hk/greaterbayarea](http://www.hsbc.com.hk/greaterbayarea) or contact your Relationship Manager if you are interested to know how we can connect you with business opportunities in the region.



# Greater Bay Area connectivity 連繫大灣區

These two maps outline the transport infrastructure projects between the cities of the Greater Bay Area, as well as HSBC's presence throughout the region.

以下兩幅地圖顯示連繫大灣區城市的運輸基建項目，以及滙豐在區內的業務網絡。

## Better infrastructure linking the Greater Bay Area

### 大灣區基礎建設網絡漸趨完善



Source 資料來源：

1. Data from the Constitutional and Mainland Affairs Bureau of the HKSAR Government as of April 2019  
香港特別行政區政府政制及內地事務局 (數據截至2019年4月)

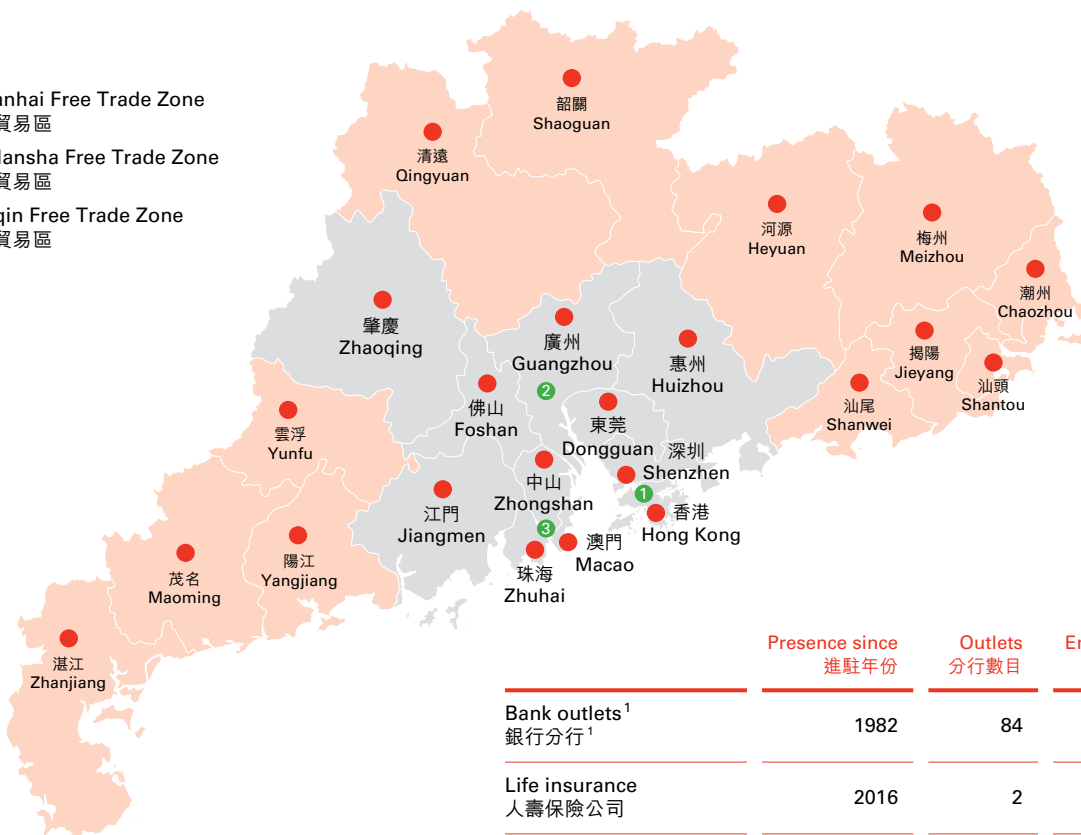
## HSBC's presence in Guangdong Province

### 滙豐在廣東省的業務網絡

Greater Bay Area  
大灣區

Cities with an HSBC presence  
滙豐業務網絡覆蓋的城市

- 1 Shenzhen Qianhai Free Trade Zone  
深圳前海自由貿易區
- 2 Guangzhou Nansha Free Trade Zone  
廣州南沙自由貿易區
- 3 Zhuhai Hengqin Free Trade Zone  
珠海橫琴自由貿易區



	Presence since 進駐年份	Outlets 分行數目	Employees 員工數目
Bank outlets <sup>1</sup> 銀行分行 <sup>1</sup>	1982	84	c. 3,000
Life insurance 人壽保險公司	2016	2	c. 40
Securities JV 合資證券公司	2017	1	c. 165
Other HSBC Group services companies <sup>2</sup> 滙豐集團其他業務公司 <sup>2</sup>	1996	4	c. 16,000

\* As of December 2018

\*截至2018年12月

1. Including HSBC, Hang Seng and their rural banks

包括滙豐、恒生和旗下的村鎮銀行

2. Including HSBC Software Development (Guangdong) Ltd, HSBC Electronic Data Processing (Guangdong) Ltd

包括滙豐軟件開發(廣東)有限公司、滙豐環球客戶服務(廣東)有限公司